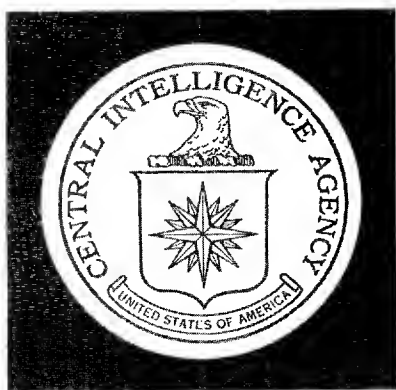


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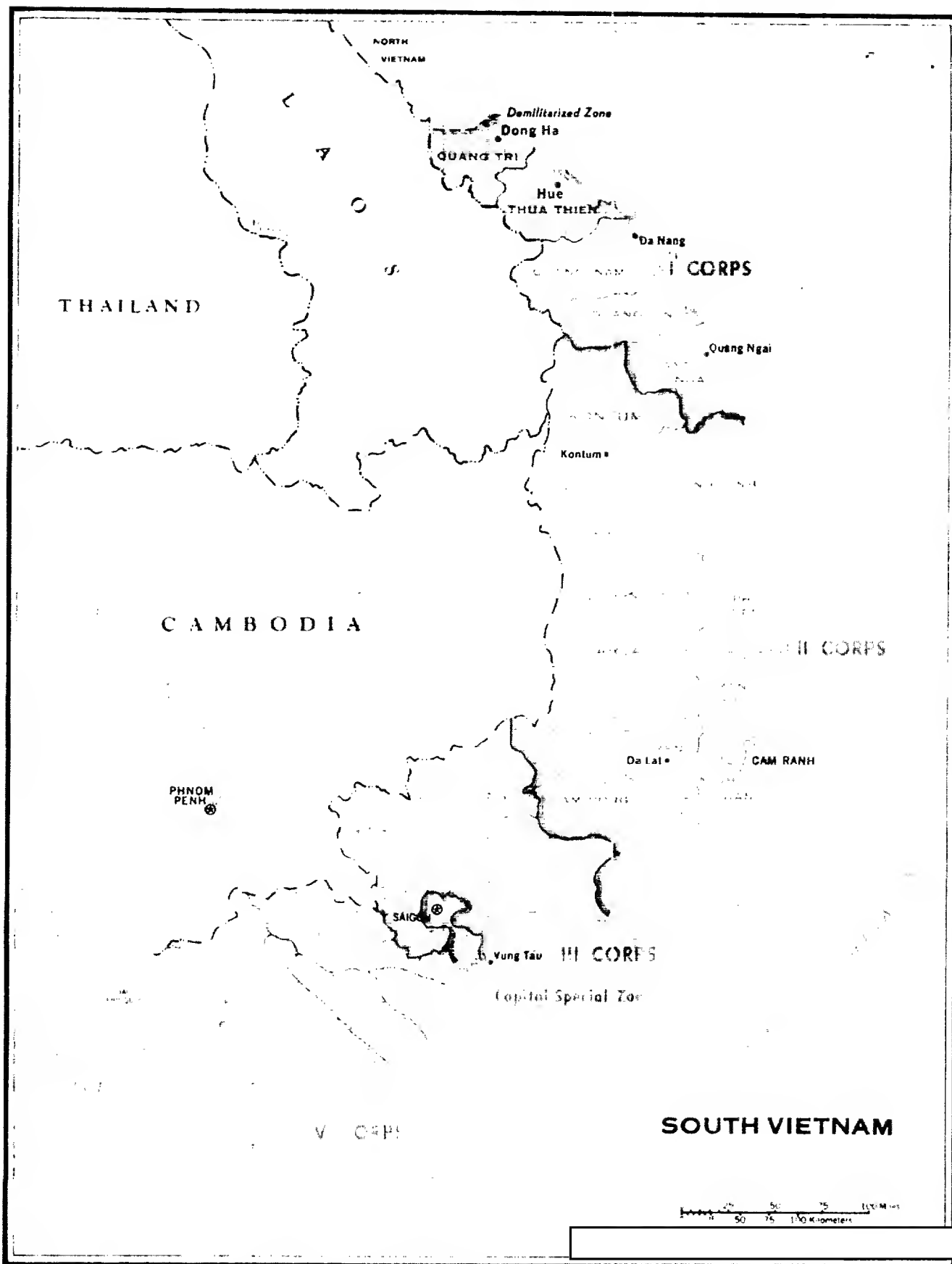
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[South Vietnam: Allied forces in the northern-most provinces continue to encounter heavy fighting.

In Quang Tri Province, a South Vietnamese regiment operating near the coastal highway some three miles northwest of Dong Ha provoked a seven-hour battle with a force of two to three North Vietnamese battalions. Farther south in the province a US armored company was hit by mortar fire and a ground attack. In adjacent Thua Thien Province, a combined US-Vietnamese force continued to press in on an entrapped North Vietnamese battalion northwest of Hue. Known enemy losses in these engagements total nearly 300 killed compared to allied casualties of 17 killed and 110 wounded.

Two prisoners captured in the clash near Dong Ha claim to be from two separate regiments of the 330th Division, one of North Vietnam's principal training units. They assert that the 330th entered the South across the Demilitarized Zone on 28 April. It is possible that they were filler personnel destined for assignment to the 320th Division which has recently operated in northeastern Quang Tri.

On 29 April the Viet Cong Liberation Radio called for an "emulation campaign" from 1 May to 20 July to honor Ho Chi Minh's birthday this month. The broadcast urged stepped-up attacks, support for the "front line," and enlargement of the "liberated area."



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Laos: [Prime Minister Souvanna Phouma apparently has backed down in his attempt to make major changes in the top military leadership.]

[REDACTED]

Souvanna agreed during a recent meeting with the Vientiane generals to postpone key personnel changes in the army. Certain regional army commanders and junior officers have been pushing for such changes and for a reorganization of the army for several months.]

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[In what may have been an effort to save face for Souvanna, the generals did support certain changes designed to streamline the army's clumsy bureaucracy. Although the reorganization will strengthen the regional commanders somewhat, the Vientiane generals apparently do not view it as an immediate threat to their privileges and prerogatives.]

[The primary targets of the proposed personnel changes were army commander General Ouan Rathikoun and his deputy, Kouprasith Abhay. Ouan, confident that he could maintain his power base by controlling the army's logistical system, had apparently reconciled himself to taking a position in the Defense Ministry. Kouprasith balked, however, over the prospect of giving up the command of military region V, which includes the Vientiane garrison, in exchange for a relatively obscure position within the Defense Ministry.]

[Souvanna's inability to break the hold these generals have on key positions probably will create new disquiet among the junior officers who have the most to gain from a shake-up. Key regional commanders, long unhappy over the venality and the incompetence of the Vientiane generals, will also be discouraged by this latest setback. There is no indication, however, that these elements contemplate any direct action.]

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Budapest Conference: The meeting of Communist parties in Budapest last week is reported to have been marked by behind-the-scenes disagreements among some of the participants.

According to one report reaching the US Embassy in Budapest, the Russian and Hungarian delegates succeeded only with great difficulty in dissuading the Czechoslovaks from walking out, after they had an acrimonious clash with the East Germans. The Czechoslovaks not only refused to withhold publicity on the proceedings, but opposed attempts to work "behind closed doors." One participant is said to have stated that without the Vietnam issue there would have been no unifying topic.

With respect to procedure, Zoltan Komocsin, Hungarian party secretary in charge of the arrangements, reportedly gave a rather bleak account of his unavailing efforts to secure wider attendance. Only seven of the 14 ruling Communist parties sent delegates to the five-day meeting. Once again the list of attendees was made up largely of insignificant parties such as those of Lesotho, Martinique, and Puerto Rico, in order to reach a respectable count-- this time 54.

Last week's meeting scheduled the opening of a world conference of Communist parties for 25 November, set up a "working group" to prepare documents, and decided to hold another preparatory meeting in September.

The difficulties the Soviets encountered during this latest round of preparations are indicative of the arduous, uphill battle they face in this enterprise.

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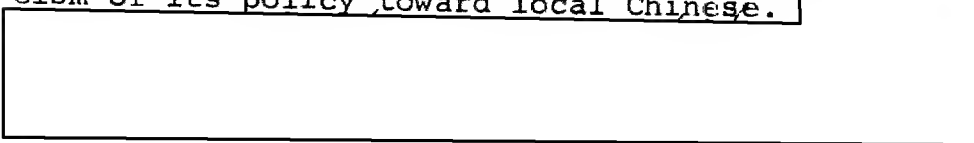
Indonesia: After some months of calm, another round of anti-Chinese activity may be in prospect in East Java.

General Jasin, the East Java commander, in two recent speeches sternly warned both alien and Indonesian Chinese of dire consequences if collaboration with remnants of the Indonesian Communist Party did not stop.

Jasin later claimed to the American consul in Surabaya that so many Chinese had been found during recent security sweeps to be involved with the Communists that strong action was required.

Chinese businessmen in East Java are without question the Communist Party's main source of financial support, but local authorities there, as elsewhere in Indonesia, tend to overreact.

Strongarm tactics against the Chinese were a principal reason for the removal last year of Jasin's predecessor by the Suharto government, which had become sensitive to international criticism of its policy toward local Chinese.



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Southern Yemen: Aden may be again on the verge of political turmoil.

A group calling itself the "True Commando Sector of the National Liberation Front" issued a demand on 21 April for the dissolution of the government and of the party command by 5 May. The group threatened a general strike and a "return to former revolutionary violence" if its terms were not met. Other demands included the reinstatement of purged personnel, the release of political detainees, death sentences for former ministers who are identified Communists, and the suspension of the teaching of Communism and Mao Tse-tung's thoughts.

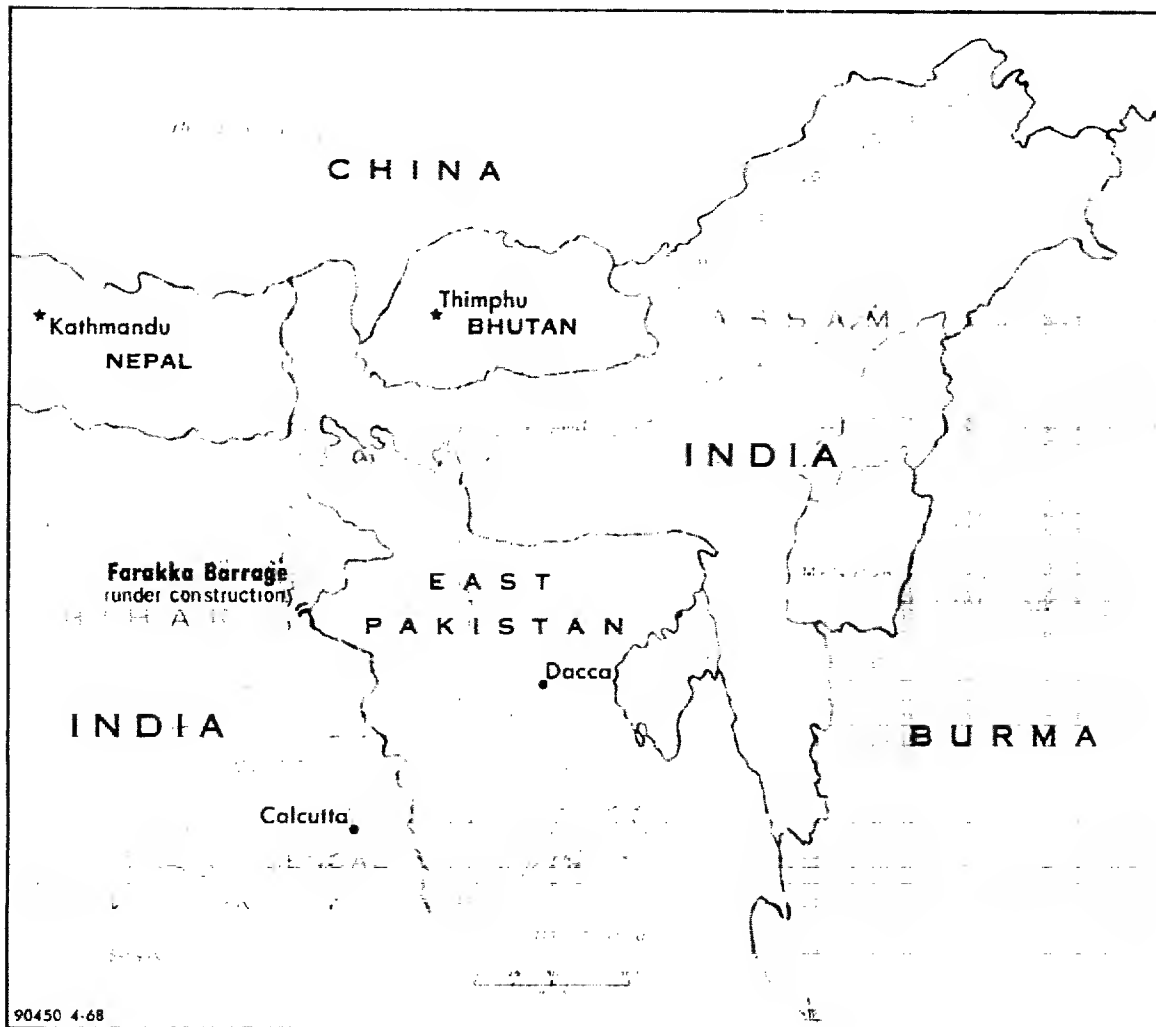
While the identity of the group is not known, there are reports that the army supports its stand and may even have instigated the move. One ruling National Liberation Front (NLF) official suspects that some NLF command members back the demands. The army is suspicious of the current regime's leftist orientation, and may also believe that a more broadly based government would stand a better chance of attracting aid from other countries.



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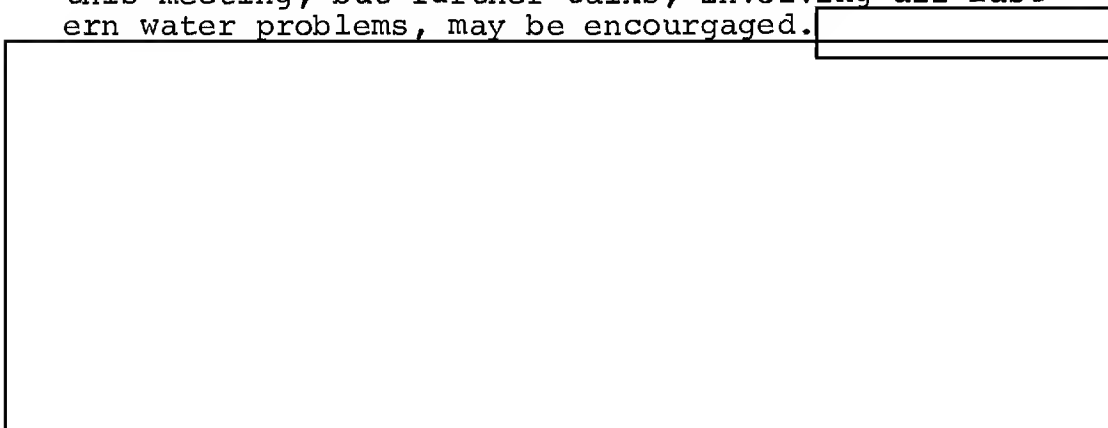
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India-Pakistan: Pakistan and India have agreed to hold their first meeting in six years on control of the river waters flowing from India into East Pakistan.

The talks, scheduled for 13 May, will be limited to the Farakka Barrage, a diversionary dam being built in India on the Ganges. India expects to complete the Farakka Barrage in the early 1970s. Although the water to be diverted by this dam is not at present needed by Pakistan, agricultural expansion planned for East Pakistan will eventually require greatly increased supplies of water for irrigation.

No agreements are expected to be reached at this meeting, but further talks, involving all Eastern water problems, may be encouraged.



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Argentina: [Army leaders and liberal newspapers have expressed sharp dissatisfaction with a recent statement of the government's political plans.]

[Interior Minister Borda told the Foreign Press Association on 24 April that the government envisions an eventual return to "representative democracy," including elections and political parties, but that it also wants "community participation" in an economic and social council. Borda's suggestion renewed fears that the government is thinking about instituting some kind of corporate state. The liberal faction in the army, headed by commander in chief General Alsogaray, has long opposed such a plan.]

[The criticism, including an almost unheard-of slash by the press at President Ongania himself, may increase pressure by the liberal sector of the army to get rid of Borda, a former Peronist who has been one of the loudest exponents of corporativism.]

[Although military suspicion of Ongania's plans is increasing, there is as yet little indication that the generals want to do more than keep the President from abandoning his centrist position. A shift to the far right by Ongania could solidify army opposition and start a move to replace the nationalists in government or even the President.]

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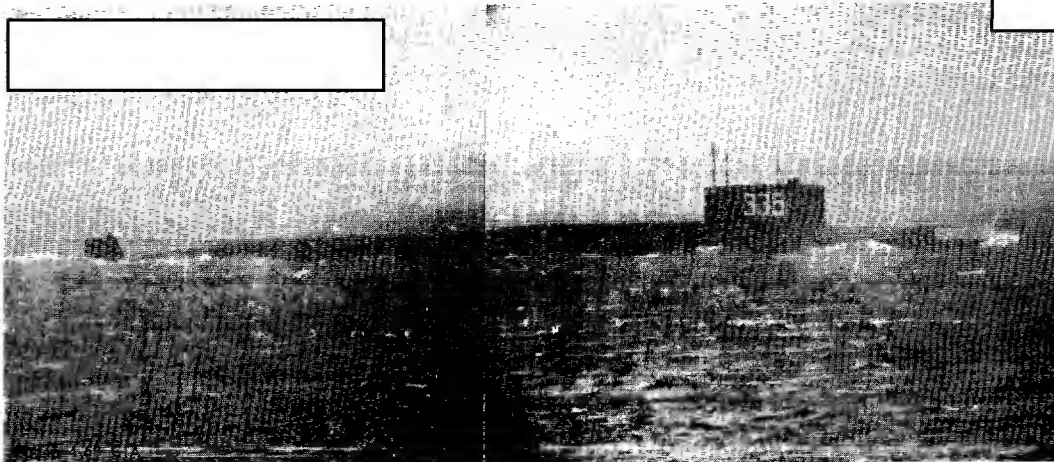
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NOTES

Yugoslavia: During Tito's stopover in Moscow for discussions with Soviet leaders, Belgrade announced on 29 April that Yugoslavia will not attend the world Communist meeting next November. The announcement underlines the continuing basic differences which divide the two regimes, and was probably timed to strengthen Tito's hand in his talks with the Soviet leaders. Yugoslavia disapproves of Soviet attempts to re-establish discipline in the Communist movement. Belgrade has praised events in Czechoslovakia while criticizing the Polish regime's crackdown, has refused to take a harsh attitude toward West Germany, and has insisted that the Mediterranean region be free of all foreign military presence, both US and Soviet.

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New Soviet Polaris-type Submarine



Seen in Barents Sea on 12 April 1968

(Composite of two photos)

USSR: [The lead unit of the new Soviet Polaris-type submarine has been deployed to an operational base. The submarine, sighted underway in the Barents Sea on 12 April, apparently was heading for its base on the Kola Peninsula. This probably is the submarine reported to be fitting out at the Severodvinsk shipyard in September 1966. It could be ready for its first patrol by early summer. At least 30 of these submarines, which carry 16 missiles with ranges in excess of 1,300 miles, could be operational by mid-1975.]

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Warsaw Pact - Rumania: Warsaw Pact commander Marshal Yakubovskiy conferred with the leaders of all the active Pact countries except Rumania during a recent eight-day swing through Eastern Europe. The purpose of Yakubovskiy's visits, according to East European news media, was to review Pact "defense problems"--presumably those discussed at the 23 March meeting in Dresden. The exclusion of Bucharest from Yakubovskiy's itinerary and from the Dresden meeting is evidence that Rumania's role in Pact affairs has been reduced.

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Australia: Gough Whitlam, a moderate, was re-elected leader of the opposition Labor Party on 30 April by a 38 to 32 vote. The narrowness of his victory indicates that his bid for a strong "mandate" to bring the leftist labor union faction into line has failed. Hardening of differences between Labor's moderates and leftists will give the party practically no chance to defeat Prime Minister Gorton's Liberal-Country coalition in national elections next year.

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